

Labour Market Notes

Weak start to 2019 amid pullback in self-employment

Alberta

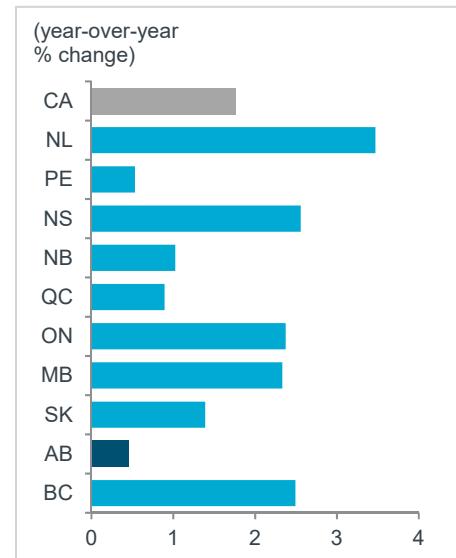
- Employment falls.** Alberta shed 15,500 jobs in January following a similar decline in December.
- Private sector solid while self-employment in retreat.** The private sector added 12,800 jobs reversing most of last month's decline. It has been a source of strength since mid-2018 and is just shy of the three and a half year high set in November 2018. Conversely, self-employment has fallen dramatically since peaking in July 2018 and fell to the lowest level since April 2016 with the large monthly decline (-26,800).
- Full-time gives back some gains.** Full-time declined for the second month in a row (-14,600), falling to a six-month low. Despite the pull-back, full-time (+82,600) positions have accounted for all the gains since the June 2016 employment low, while part-time positions have eased (-3,200).
- Pullback in both the goods and service sector.** Employment in both the service sector (-6,200) and the goods sector (-9,300) retreated for the second consecutive month. The weakness in the goods sector was broad-based, with only manufacturing (+1,100) gaining ground. The losses in the service sector were concentrated in accommodation and food (-5,200), transportation and warehousing (-5,400), health care and social assistance (-4,200), and professional, scientific and technical services (-3,900).
- Unemployment rate moves higher.** With the job losses, the unemployment rate rose 0.4 percentage points to 6.8% despite the participation rate falling 0.3 percentage points to 71.3%.
- Year-over-year growth slows.** With the monthly decline, employment growth slowed further in January. Year-over-year growth moderated from 0.9% to 0.5%, or 10,700 jobs.
- Service sector supporting growth.** All the year-over-year job growth over was in the service sector (+13,100). Employment in the goods sector has faded and was lower than a year ago (-2,400) in January after posting strong gains in 2017 and the first half of 2018.
- Earnings continue to rebound.** Average weekly earnings (AWE) rose \$11.44 in November to \$1,154.

Canada

- Canadian employment moves higher.** Canada added 66,800 jobs in January led by gains in Ontario (+41,400) and Quebec (+16,400). Over the last 12 months, Canada has added 327,200 jobs, for year-over-year growth of 1.8%.
- Unemployment rate increases.** Nationally, the unemployment rate increased by 0.2 percentage points to 5.8% as the participation rate ticked up.
- Canadian earnings tick up.** Canadian AWE grew by \$2.94 to \$1,012 in November and are 2.0% higher than a year ago.

Employment Growth by Province

January 2019 vs. January 2018



Source: Statistics Canada

Alberta Labour Market Indicators

Indicator	Latest*
Employment	2,326,400
month-over-month change	-15,500
year-over-year % change	0.5%
Alberta Unemployment Rate (UR)	6.8%
Edmonton UR**	6.4%
Calgary UR**	7.3%
Participation Rate	71.3%
Average Weekly Earnings (AWE)	\$1,154.24
year-over-year % change	0.6%
Average Hourly Wage	\$31.29
year-over-year % change	2.4%
Job Vacancy Rate***	2.0%

Source: Statistics Canada

* All data is from the January 2019 Labour Force Survey, except AWE which is the November 2018 Survey of Employment, Payrolls and Hours, and the Job Vacancy Rate is for October 2018.

** This indicator is calculated as a three-month moving average and is seasonally adjusted.

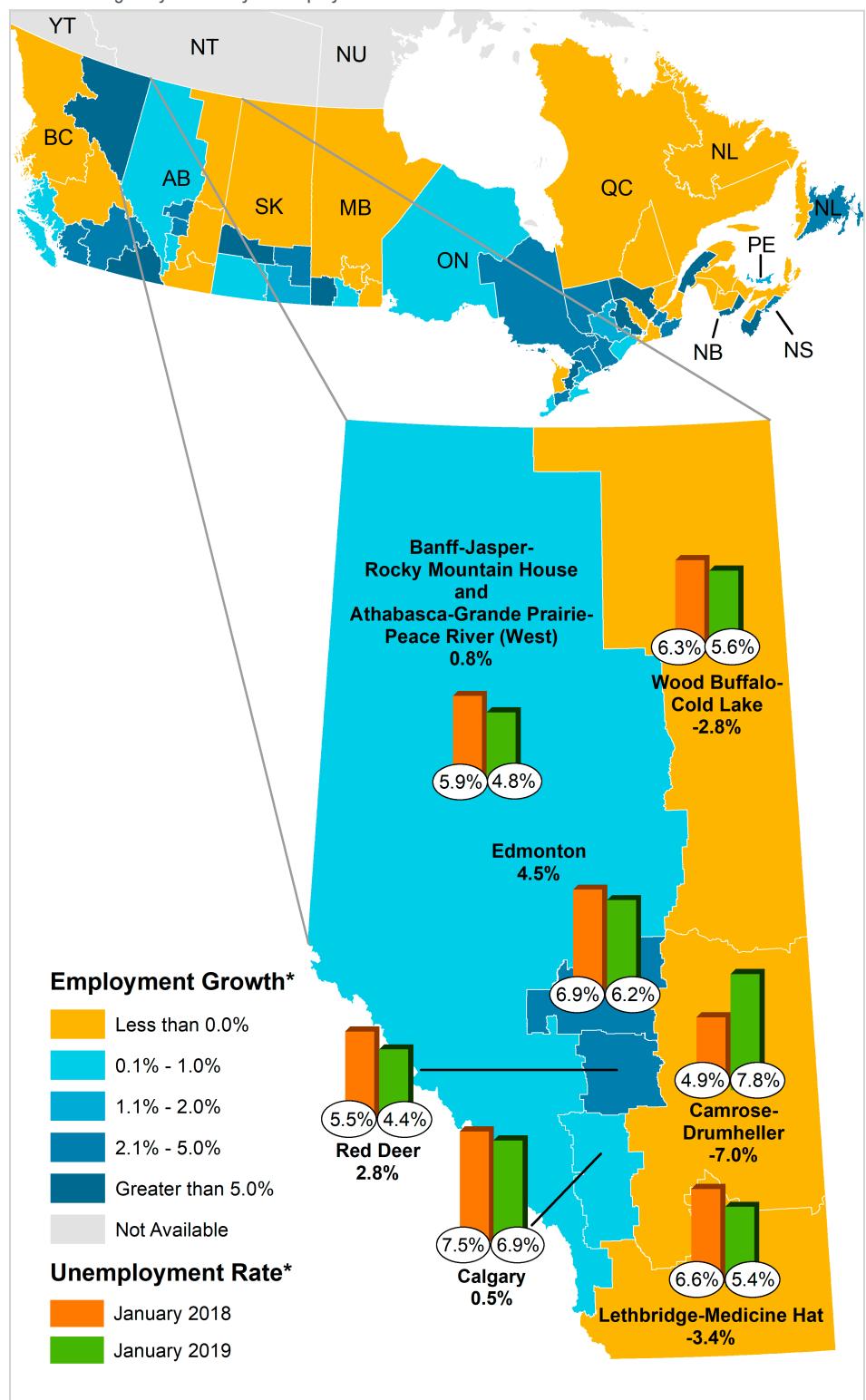
*** This indicator is calculated as a three-month moving average and is not seasonally adjusted.

Regional labour market indicators

	2017	2018	2019 YTD
Alberta			
Population	0.9	1.2	1.5
Labour Force	0.7	0.5	0.7
Employment	1.0	1.9	1.3
Unemployment Rate	7.8	6.6	6.3
Calgary			
Population	1.4	1.8	2.2
Labour Force	1.8	0.0	-0.1
Employment	2.7	0.9	0.5
Unemployment Rate	8.4	7.6	6.9
Edmonton			
Population	1.3	1.8	2.0
Labour Force	0.9	0.7	3.8
Employment	0.1	2.6	4.5
Unemployment Rate	8.1	6.4	6.2
West			
Population	-0.5	-0.4	-0.5
Labour Force	0.1	2.9	-0.4
Employment	0.5	3.9	0.8
Unemployment Rate	6.4	5.6	4.8
Lethbridge - Medicine Hat			
Population	-0.2	0.4	0.7
Labour Force	-4.4	-0.6	-4.6
Employment	-3.3	0.0	-3.4
Unemployment Rate	5.7	5.1	5.4
Red Deer			
Population	0.5	0.6	0.7
Labour Force	-0.1	3.1	1.6
Employment	1.7	4.8	2.8
Unemployment Rate	6.9	5.5	4.4
Camrose - Drumheller			
Population	-0.8	-0.6	-0.3
Labour Force	-0.6	-0.2	-4.1
Employment	-0.7	2.8	-7.0
Unemployment Rate	8.0	5.1	7.8
Wood Buffalo - Cold Lake			
Population	-0.8	-2.1	-2.4
Labour Force	0.0	-2.0	-3.5
Employment	1.8	-0.2	-2.8
Unemployment Rate	7.7	5.9	5.6

Employment growth by economic region

Percent change in year-over-year employment



Source: Statistics Canada

All numbers are percent growth, except unemployment rates

*Based on three month moving averages

Widespread gains in full-time

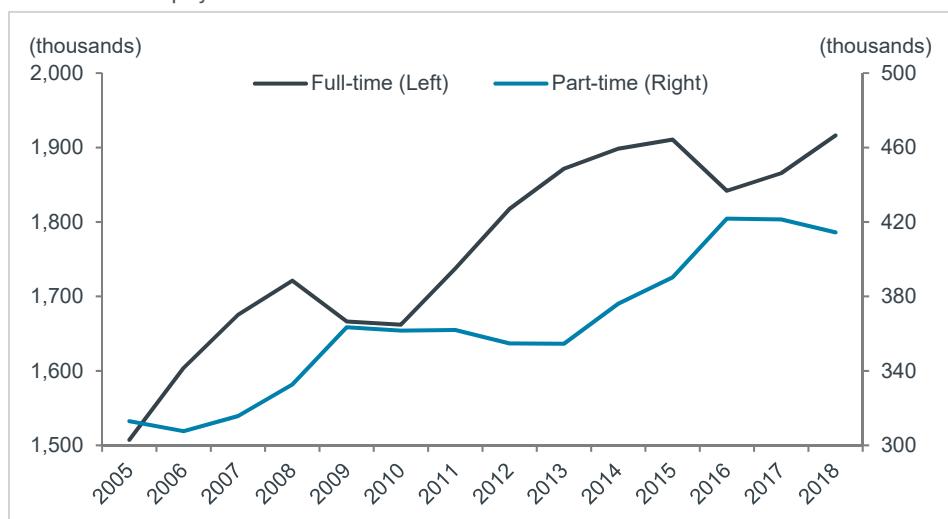
While full-time employment has pulled back over the last few months, it has accounted for all the employment gains since 2017. This labour insight looks at the strength in full-time employment.

Full-time employment recovers

Full-time employment rebound strongly with the recovery in economic activity. Alberta added 50,800 full-time jobs in 2018 after gaining 23,500 in 2017. With these strong gains, full-time employment has fully recovered all of the recessionary losses (Chart 1). The gains are partly due to the ongoing rotation from part-time to full-time. Full-time employment share of total employment improved in 2018 to 82.2% up from the January 2017 low of 80.3%. Even with the increase, the percentage of full-time remains below the 2013 peak level,

Chart 1: Full-time employment fully recovered in 2018

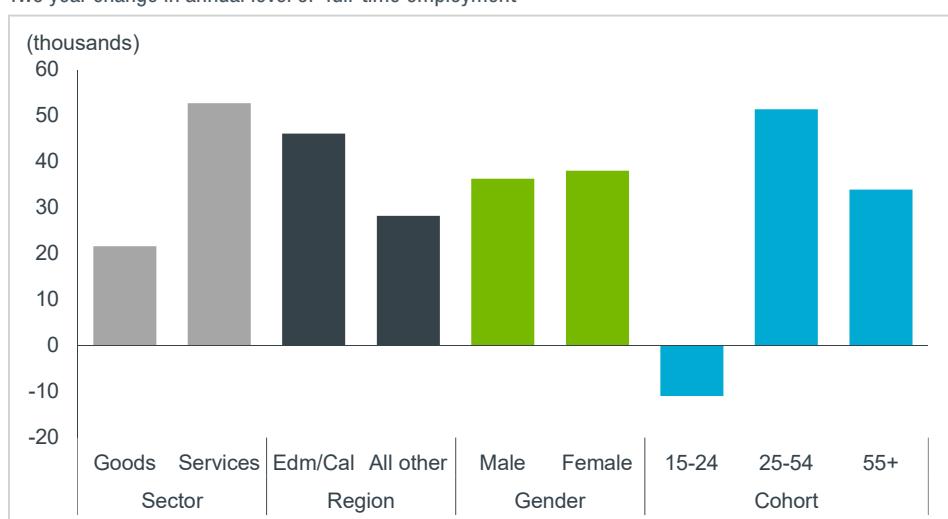
Annual level of employment



Source: Statistics Canada

Chart 2: Broad-based gains in full-time employment

Two year change in annual level of full-time employment



Source: Statistics Canada

and there are a significant number of part-time workers who would prefer to work full-time (involuntary part-time).

Widespread growth

Over the last two years, gains in full-time positions have been widespread (Chart 2). Full-time employment in the service sector, which held up well during the recession, continued to expand with gains accelerating in some industries in 2018. At the same time, the goods sector also saw substantial increases in full-time positions in 2018 after modest gains in 2017. Even so, the goods sector has failed to recover all the recessionary losses. This is partly due to the continued declines in the agriculture and construction sectors.

Calgary and Edmonton recovered

While full-time employment has risen in nearly all economic regions of the province, the recovery has been uneven. Calgary led in 2017 with a strong rebound. In 2018, momentum slowed in Calgary while it accelerated in Edmonton. The majority of the full-time gains have been in these two cities, and both have fully recovered. Conversely, full-time employment in other regions has been much slower to improve reflecting the lagging goods sector.

Gains for both men and women

The gains over the last two years have been even between genders, but concentrated in workers older than 25. While full-time employment has increased for both men and women over the previous two years, the number of men employed in full-time jobs remains below 2014 levels, while the number of women in full-time positions has exceeded the prerecession level. In addition, all of the gains have been in workers older than 25, with the number of young workers (15-24) in full-time remaining at lower levels.

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Have a question? Send us an [email](#)